UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue
Seattle, Washington 98101

December 5, 2001

Reply To
Attn Of: ECO-088

Ref: 96-0076-RUS

Lawrence R. Wolfe
USDA - Rural Utilities Service
1400 Independence Avenue SW - Stop 1571
Washington, DC 20250-1571

Dear Mr. Wolfe:

The Environmental Protection Agency (EPA) has completed our review of the draft Environmental Impact Statement (EIS) for the proposed **Southern Intertie Project** (CEQ No. 010365) in accordance with our authorities and responsibilities under the National Environmental Policy Act (NEPA) and Section 309 of the Clean Air Act. The draft EIS evaluates the no action alternative and 2 action alternatives to improve the overall Railbelt electrical system reliability and energy transfer capabilities between the Kenai Peninsula and Anchorage, Alaska. The draft EIS does not identify an agency-preferred alternative.

Based on our review and evaluation of the draft EIS, we have assigned the following ratings based on the environmental impacts of each of the action alternatives and the adequacy of the impact statement in analyzing and disclosing the effects of the alternatives.

Alternative	Rating
Enstar Route	**EO-2** (Environmental Objections - Insufficient Information)
Tesoro Route	**EC-2** (Environmental Concerns - Insufficient Information)
No Action	**LO** (Lack of Objections)

1A Our objections to the Enstar Route Alternative relate to the expected significant and irreversible impacts to vegetation and wetlands, birds (eagles and waterfowl, including trumpeter swans), large mammals (bears and moose), predators (wolves, lynx), recreation and land use on the KNWR, and visual quality. Additionally, the construction and operation of the Enstar Route Alternative may have substantial and unacceptable impacts (direct and indirect) on an Aquatic Resources of National Importance (ARNI). Finally, there exists a less environmentally damaging alternative (the Tesoro Route) that should be pursued, consistent with the direction of the NEPA regulations to "use all practicable means...to...avoid or minimize any adverse effects.".

1B While it would result in significantly less environmental impacts than the Enstar Route

1A The EPA's objection to the Enstar Route is noted. A Draft Section 404 (b)(1) Evaluation prepared by the USACE is provided in Appendix B of the FEIS, which identifies the Tesoro Route alternative as the least damaging practicable alternative for aquatic resources. See response to 1F (below) for more information on the agency-preferred alternatives.

1B, 1C, 1D

Alternative, we have environmental concerns with the Tesoro Route Alternative in that it would also result in significant and irreversible impacts to vegetation and wetlands, birds, large mammals (bears), and visual quality. We believe, however, that many of these impacts could be reduced with the development of more project-specific mitigation measures. Presuming that more project-specific mitigation would be developed, we recommend that the lead and cooperating agencies select and present the Tesoro Route alternative (combined with the Option C crossing of the Turnagain Arm) as the agency-preferred alternative in the final EIS. We have no objections to the No Action alternative as no adverse environmental effects would result with its selection.

1E

We believe that additional information should be included in the EIS to provide the public and decision maker with a clearer understanding of the costs, effects, and means of mitigating the effects of the project alternatives. These topics are discussed in greater detail in the attachment to this letter. A summary of our comments and an overall rating of EO-2 will be published in the *Federal Register*. We have enclosed a copy of the rating system used in conducting our review for your reference.

Thank you for the opportunity to provide comments on the draft EIS for the Southern Interie Project. I urge you to contact Bill Ryan of my staff (206-553-8561) at your earliest opportunity to discuss our comments and how they might best be addressed in the final EIS for the project.

Sincerely,

Judith Leckrone Lee

Judith Leckrone Lee, Manager
Geographic Implementation Unit

Enclosures

cc: Robin West, USFWS, KNWR, Soldotna
John Olson, NMFS, Anchorage
Suzanne Fisler, ADNR-KRC, Soldotna
Glenda Landua, ADFG-KRC, Anchorage
Daniel Bevington, KPB, Soldotna
John Mohorcich, KPB-KRC, Soldotna
Tim Rumfelt, ADEC, Anchorage
Jennifer Wing, ADGC, Anchorage
Jack Hewitt, Corps of Engineers, Anchorage

1B As a point of clarification, significant and irreversible impacts were not identified for vegetation, wetlands, or large mammals along the Tesoro Route, as shown on Table 2-11A (pg. 2-67) of the DEIS. The DEIS identified significant impacts to visual resources, and the potential for significant impacts to birds along the Tesoro Alternative. The mitigation measures identified in the Mitigation Plan, Volume II of the FEIS would substantially reduce the potential for bird collision. Visual impacts to planned development in the Moose Point, Grey Cliffs and Point Possession Subdivisions will be variable as result of locating the Tesoro alternative in the Kenai Peninsula Borough's planned Transportation Utility Corridor, and the use of selective mitigation to reduce visual contrast.

1C Refer to response 1G (below).

1D See comment 1F (below) for more information on the agency-preferred alternatives.

1E See response to 1H (below) regarding costs. Responses are also provided to the attached EPA comments.

EPA Comments
on the
Draft Environmental Impact Statement (EIS)
for the
Southern Intertie Project

Introduction

The draft EIS evaluates the effects of two action alternatives as well as the no action alternative. The applicant's proposed project, referred to as the Enstar Route, is comprised of an overhead transmission line from the Soldatna Substation on the Kenai Peninsula through the eastern portion of the Kenai National Wildlife Refuge (KNWR) parallel to the existing Enstar pipeline, an undersea cable crossing of the Turnagain Arm, and a combination of underground and overhead cable to the International Substation in Anchorage. The other action alternative, the Tesoro Route, would include overhead and underground transmission cable between the Bernice Lake substation and Point Possession on the Kenai Peninsula, an undersea cable crossing of the Turnagain Arm, and terminate at the Point Woronzof substation in Anchorage. The EIS does not identify an agency-preferred alternative.

1F

Least Damaging Alternative/Preferred Alternative

The draft EIS clearly states, in summary form and in detail, that the applicant's proposed project (the Enstar Route) would have significant and irreversible impacts on vegetation and wetlands, birds (eagles and waterfowl, including trumpeter swans), large mammals (bears and moose), predators (wolves, lynx), recreation and land use on the KNWR, and visual quality. The draft EIS also clearly indicates that selection of the Tesoro Route alternative would result in less overall impacts to biological and environmental resources, particularly those on the KNWR, than the applicant's proposal. While the overall costs of the project would be approximately 15% higher for the Tesoro Route alternative when compared to the Enstar Route, we believe that the additional costs are reasonable when weighed against the significant adverse environmental effects that would be reduced or avoided altogether. Based on this information and the presumption that more project-specific mitigation measures would be developed, we recommend that the lead and cooperating agencies select the Tesoro Route alternative (combined with the Option C crossing of the Turnagain Arm) as the agency-preferred alternative in the final EIS.

Mitigation Measures

Regardless of which alternative is ultimately selected, there appear to be additional opportunities to minimize the adverse impacts associated with this project. While the draft EIS describes mitigation measures such as winter construction, underground placement of the transmission line and marking the wires at certain locations, these measures are not described or analyzed sufficiently in the EIS to determine if they will adequately reduce adverse impacts. We suggest that the lead and cooperating agencies, along with the applicant, convene a meeting among interested parties to address mitigation needs for this project. We believe that such a discussion would be a constructive format for identifying information needs and mitigation

1G

1F Route preferences and recommendations are noted. A description of the agency preferred alternative(s) is provided in the Summary of the FEIS. The RUS and USFWS have selected the Tesoro Route as their preferred alternative. With regard to route options between Point Possession and the Point Woronzof Substation, the agency preferences vary between the lead and cooperating agencies. RUS has identified route Options D and N. The USFWS has identified Option C as their preferred alternative. The Applicant's ANILCA application for the Enstar Route is under review by USFWS. A Compatibility Determination has been prepared by USFWS and is included in Appendix A of the FEIS. The USACE has indicated that the Tesoro Route is a less damaging practicable alternative than the proposed Enstar Route (including Options B, C or D and N). A Draft Section 404(b)(1) Evaluation has been prepared and is included in Appendix B of the FEIS. Refer to FEIS Summary Section S.10 – Agency Preferences and Decision to be Made (pg. S-26) for more information.

1G The lead and cooperating agencies, along with the Applicant, have held discussions and convened meetings (March 26 and 27, 2002) among interested federal, state, and local agencies to address mitigation needs and assist in the development of a Mitigation Plan for the Project. The types, locations and effectiveness of the measures are presented in the Mitigation Plan in Volume II of the FEIS.

measures. The results of this effort should be integrated into the design of the project and documented in the EIS.

Overall, the EIS should provide description of the specific mitigation measures that would be used for the project, the locations where they would be applied, and the effectiveness of the measures in reducing or avoiding adverse affects. As an example, there are numerous places in the EIS that indicate that in areas of potential collision hazard, wire would be marked within 1,312 feet of water where there is no forest between open water and the transmission line. The EIS does not clearly identify where these areas are located nor does it describe how the lines would be marked, the basis for the 1,312 foot distance, or the effectiveness of this method in reducing bird-wire collisions. Consequently, it is difficult to determine whether (or to what extent) the proposed mitigation measure will serve to reduce bird-wire collisions. We recommend that the EIS be revised to disclose specific locations where all the mitigation measures would be applied, along with an assessment of their ability to reduce or eliminate adverse effects.

1G

While we believe the mitigation practices presented in Appendix D reflect generally good guidelines to reduce effects, the EIS needs more information that allows the public and the decision maker to understand where such practices, particularly the "selective mitigation measures," would be applied along the intertie alignments currently being evaluated. Because the decisions to be made for the project will be specific to project alignment and effects, the EIS should reflect, with sufficient specificity, mitigation measures that would be used to avoid, reduce, or offset identified impacts. We recommend that the EIS identify the locations where the mitigation measures presented in Appendix D would be applied to demonstrate that all practicable means have been made to avoid or minimize possible adverse effects (see 40 CFR 1500.2(f)).

We support the development of a detailed mitigation plan, but we are concerned with the statement in Appendix D that indicates that such a plan would be developed after issuance of any Record of Decision (ROD) for the project. The implementing regulations for NEPA require the ROD to contain a "statement of whether all practicable means to avoid and minimize environmental harm from the selected alternative have been adopted, and if not, why they were not" (see 40 CFR 1505.3(c)). In order to make such a statement, mitigation commitments for the project must be included in the ROD. We recommend that the appropriate, site-specific mitigation that would be committed to in the ROD be developed, evaluated and reported in the EIS. This will ensure that the decision maker will have sufficient information to determine whether all practicable means have been taken of avoid or reduce impacts.

Economic Information

1H

We strongly recommend that the EIS be revised to include additional economic information and analysis related to the construction, operation, and maintenance of the proposed intertie and alternatives to it, beyond the information presented in Table S-2. This information is vitally important in determining whether an alternative is reasonable or practicable, as it must be

1H For additional economic information and analysis including a refined breakdown related to mitigation strategies and the construction, operation, and maintenance of the Project alternatives see Chapter 2, Project Benefits and Costs (Section 2.2.1, pgs. 2-1 to 2-4) Cost and Technical Comparison Discussion of Route Options (Section 2.2.2, pgs. 2-4 to 2-11), and the Mitigation Plan in Volume II of the FEIS.

1H

weighed against technical feasibility, environmental effects and other considerations. Economic information is also needed to support decisions not to evaluate alternatives in detail. This information would also serve in determining reasonable mitigation measures, particularly the use of underground lines to offset potential visual, safety or wildlife impacts. We recommend that the EIS present a breakdown of the construction, operations and maintenance costs to provide the public and the decision maker with a clearer understanding of how these costs would vary with each alternative. A discussion of the differing costs should also be presented in the EIS.

Alternatives Eliminated from Detailed Study

The EIS should provide additional information that supports the elimination of the following information.

1I

Underground Transmission Lines - While the EIS does indicate that costs associated with underground transmission is four to five times greater than that of overhead line, and that repairing damaged underground lines would take longer and be more costly, the EIS should provide a clear justification for why this approach has been eliminated from consideration (except where required by regulation). Consistent with direction in the implementing regulations for NEPA to "assess the reasonable alternatives...that will avoid or minimize any possible adverse actions," we believe that the use of underground lines would serve to minimize or avoid adverse visual, safety (aircraft collisions), and wildlife (bird collisions, habitat fragmentation) effects. Consequently, elimination of the use of underground lines should be supported with information that demonstrates that use of such lines is prohibitively costly and/or technically infeasible, thereby making it an unreasonable alternative to pursue further in the EIS. We recommend that the EIS include economic information related to installation, operation and maintenance of underground lines (contrasted with the same economic information for overhead lines), as well as an assessment of the types of failures (and expected frequencies of such failures) for underground lines (again, contrasted with overhead lines). This analysis should also evaluate failures of underground lines and amounts of time and costs needed to repair them in the context of having a second, redundant transmission system (the existing transmission line). This information will provide the public and the decision maker with a clearer understanding of the technical and fiscal trade-offs associated with the two transmission options. This information will also aid in determining the reasonableness of using underground lines in select sections of the project as mitigation for visual, safety or wildlife impacts.

1J

Battery Energy Storage Systems (BESS) - The use of a BESS would eliminate the need to construct a new transmission line entirely and, consequently, would be consistent with the direction in the NEPA implementation regulations to "use all practicable means...to...avoid or minimize any possible adverse effects..." (See 40 CFR 1500.2(f)). Therefore, we recommend that the discussion presented in Section 2.2.1 of the draft EIS be revised to more clearly demonstrate that pursuit of this alternative is technically and/or economically infeasible. We suggest that the EIS be revised to clarify the

1I Comment noted. A discussion of underground construction has been included in Section 2.2.3 (pgs. 2-11 to 2-14) of the FEIS.

1J This statement is incorrect. A BESS would not eliminate the need to construct a new transmission line. Refer to Chapter 2, Section 2.2.4 (pgs. 2-14 to -17) of the FEIS for more information.

1J discussion of the technical viability of the BESS by indicating if (and/or how) the technical difficulties (system instabilities, 3 BESS on a single system) could be overcome to make this alternative viable. Economic information related to installation, operation and maintenance of BESS should also be included and contrasted with other alternatives.

Effects Analyses

1K Page 3-41 of the draft EIS describes the use of snow and ice making for creating a winter cover over the ground. Sources of water for this activity should be identified and the effects associated with their use assessed, especially dewatering of areas important for over-wintering fish, mammals and birds. Mitigation measures should be developed to offset any adverse effects from this activity.

1L Page 3-72 of the draft EIS asserts that waterfowl north of the Captain Cook State Recreation Area would not likely cross the transmission line route due to absence of lakes, ponds or saltmarsh west of the Tesoro route. The draft EIS does not seem to take into account birds that use freshwater habitats during the day and raft on Cook Inlet at night. During the winter large rafts of resting waterfowl can be observed on Cook Inlet. These birds could be at special risk of collision with an overhead transmission line because they are flying at dusk into a setting sun and may be unlikely to see transmission lines. This potential effect should be evaluated in the EIS.

1M Pages 3-74 and 3-90 indicate that bear dens could be potentially disturbed during winter construction and maintenance activities. We recommend that the EIS be revised to describe the measures that have been taken to identify bear denning sites. The EIS should also identify the measures that would be employed to avoid these sites.

1N Page 3-88 of the draft EIS indicates that shorter power poles (70 feet) would be used at the edge of the Chickaloon Flats to reduce the likelihood of bird strikes. The EIS should identify any other locations where this approach would be employed. We recommend that the EIS include the rationale for selecting this mitigation measure for the Chickaloon Flats along with a discussion of why this method (or others) does not appear to be proposed for use elsewhere in the project alternatives.

Identify important migration corridors/potential collision hazard areas

1O We recommend that the EIS be revised to include maps that identify locations of important migration corridors of birds and terrestrial mammals along with identified potential collision hazard areas. With the identification of these areas, relative to the intertie alignments currently under consideration, the public and the decision maker will be provided with a clear understanding of the locations where effects to wildlife are likely to be the greatest. This will serve to focus the identification and evaluation of mitigation measures needed to eliminate or reduce those effects. The assessment of the effectiveness of these measures should be included in the EIS.

1K If snow conditions are insufficient to create a winter cover over the frozen ground to reduce impacts to wetland vegetation, snow and/or ice would be obtained off site and transported to the Project site. In the case of a warm winter where frozen conditions are insufficient to mitigate impacts to aquatic resources, construction would be postponed until appropriate conditions exist.

1L Winter concentrations of waterfowl using Cook Inlet are likely sea ducks, which would not be expected to use fresh water resources at that time of the year. However, wintering waterfowl (primarily goldeneyes, mergansers, and mallards) have been observed in ice-free portions of the Kenai River, and in Cook Inlet near the mouth of the Kenai River. Presumably these birds move between Cook Inlet and the river, although they would not be expected to routinely cross the Tesoro alternative transmission line, which begins at the Bernice Substation, which is approximately 11 miles north of the mouth of the Kenai River in the Nikiski area. Refer also to Chapter 2, Section 2.2.8 (pgs. 2-32 to 2-34) of the FEIS.

1M There is no written protocol for conducting preconstruction den surveys or avoiding bear dens. Den surveys on the KNWR are conducted using an airplane with spotters flying at 700-800 feet. Measures to avoid bear dens would be based on characteristics of the site, but may include avoidance of an active den area during the denning season.

1N The only migration corridor currently identified along either route is associated with the waterfowl concentration area at Chickaloon Bay. Once staging has maximized, birds leave the bay, flying south along the Mystery Mountains toward Seward. This particular migration route would make these birds more susceptible to transmission line strikes, hence the recommendation for lower poles at this location on Links E9 and E10 (70' in height) so that the top of the pole and wires would be at and below tree height. See also Mitigation Plan in Volume II of the FEIS and FEIS Section 2.2.8 (pgs. 2-32 to 2-34).

1O The only migration corridor currently identified along either route is associated with the waterfowl concentration area at Chickaloon Bay. Although it is known that land mammals (moose, bears, wolverine, etc.) migrate east and west (between lowlands and the Mystery Mountains), no specific migration routes have been identified at this time. For additional information regarding potential collision hazard areas and mitigation measures including seasonal construction, refer to the Mitigation Plan in Volume II of the FEIS and FEIS Section 2.2.8 (pgs. 2-32 to 2-34).

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
ALASKA OPERATIONS OFFICE
Room 537, Federal Building
222 W. 7th Avenue, #19
Anchorage, Alaska 99513-7588

December 3, 2001

Colonel Steven T. Perrenot
Alaska District Engineer
U.S. Army Corp of Engineers
P.O. Box 898
Anchorage, Alaska 99506-0898

Attn: Jack Hewitt

Re: Public Notice 2-991212, Turnagain Arm 45

Dear Colonel Perrenot:

This letter responds to your public notice received on October 18, 2001 of a proposal by the Intertie Participants Group of Anchorage, Alaska, to build an electrical transmission line from Soldotna to Anchorage through the Kenai National Wildlife Refuge. Based upon the likelihood that the project could have substantial and unacceptable impacts on aquatic resources of national importance, and that there are alternatives that would have less adverse impact, we recommend that you deny the permit.

2A

Pursuant to Part IV, Paragraph 3(a) of the August 11, 1992, Memorandum of Agreement between our agencies, we hereby notify you that, in our opinion, the proposed project may have substantial and unacceptable impacts on an aquatic resource of national importance (ARNI). Our concerns regarding this project involve the likely effects on wildlife populations and habitat in and surrounding the Kenai National Wildlife Refuge. The Southern Intertie Project Draft Environmental Impact Statement (DEIS) for this project clearly documents that a less damaging alternative exists. Therefore, the project does not comply with the 404(b)(1) Guidelines. These concerns are expanded upon below.

Compliance with the 404(b)(1) Guidelines

Significant Impacts:

2B

The DEIS clearly states, in summary form and in detail, that the proposed project will have significant and irreversible impacts on aquatic resources. Because the impacts are clearly spelled out in the DEIS we will not list them all here. Please refer to pages S-16 through S-22 of Volume 1 of the DEIS for a summary table of impacts due to this project. Detailed descriptions are given in Volume 1, Chapter 3. The 404(b)(1) Guidelines require that no discharge of dredged or fill material be permitted which will cause significant degradation of waters of the United

2A Refer to comment response 1A – EPA letter (12/05/01).

2B Refer to comment response 1A – EPA letter (12/05/01).

States (40 CFR 230.10(c)). Therefore, a permit for this project should be denied.

Alternatives:

The DEIS further documents that a practicable alternative exists that will have less adverse impact on the aquatic ecosystem. The above referenced portions of the DEIS contain a comparison of the proposed "Enstar" route with the alternate "Tesoro" route. The information shown clearly documents that the Tesoro route is less damaging. The 404(b)(1) Guidelines require that no discharge be permitted if there is a practicable alternative which would have less adverse impact on the aquatic ecosystem (40 CFR 230.10(a)). Therefore, a permit for the proposed project should be denied.

Additional Concerns

Regardless of which alternative is selected, there appears to be additional opportunity to minimize the adverse impacts associated with this project. The DEIS describes mitigation measures such as winter construction, underground placement of the transmission line and marking the wires at certain locations. Additionally, we are concerned that these measures are not well enough described in the DEIS. We are unable to determine if mitigative measures will adequately reduce adverse impacts. Further discussion is needed regarding mitigation for this project. We suggest that, before a permit is issued, the applicant convene a dialogue among interested parties to address mitigation needs for this project. We believe that such a discussion would be a constructive format for identifying information needs and mitigation measures. 2C

In the meantime, we have the following specific questions and points:

2D 1) Are there specific migration routes across the project site for birds migrating from the Kenai Peninsula, and from other locations? Where are these routes? What birds are using them and when? This information is important when identifying appropriate mitigation measures.

2E 2) The power poles at Chickaloon Bay are described as being tree height (70 feet) to reduce the likelihood of bird strikes. At what other locations is this method being proposed? Why is this method not proposed for the entire project?

2F 3) The DEIS describes the use of snow and ice making for creating a winter cover over the ground. We are concerned that this activity could de-water areas important for overwintering fish, mammals and birds. Sources of water for this activity should be identified and the effects associated with their use assessed.

2G 4) The DEIS asserts that waterfowl north of the Captain Cook State Recreation Area would not likely cross the transmission line route due to absence of lakes, ponds or saltmarsh. The DEIS fails to take into account birds that use freshwater habitats during the day and raft on Cook Inlet at night. During the winter, large rafts of resting waterfowl can be observed on Cook Inlet. These birds could be at special risk of collision with an overhead transmission line because they are flying at dusk into a setting sun and may be unlikely to see transmission lines. This potential effect should be evaluated.

2H 5) What measures have been taken to identify bear denning sites? What measures would

2C Refer to comment response 1G – EPA letter (12/05/01).

2D Refer to comment response 1O – EPA letter (12/05/01).

2E Refer to comment response 1N – EPA letter (12/05/01).

2F Refer to comment response 1K – EPA letter (12/05/01).

2G Refer to comment response 1L – EPA letter (12/05/01).

2H Refer to comment response 1M – EPA letter (12/05/01).

be employed to avoid these sites?

We feel that it is important that the information above be provided before a permit is issued. Other interested parties undoubtedly have concerns we have not addressed. Again, we suggest that the applicant convene a series of gatherings to identify additional information needs and mitigation measures.

2I

In summary, the proposed project does not comply with the 404(b)(1) Guidelines because it will result in significant adverse impacts to aquatic resources of national importance on the Kenai National Wildlife Refuge. It also fails to comply because there are practicable alternatives to the proposed project that will have less adverse impacts. Additional information is needed to understand and identify mitigation opportunities to minimize adverse impacts of the project.

Thank you for the opportunity to comment on this project. If you have any questions regarding this letter, please call me at 271-5083, or Phil North at the Kenai River Center in Soldotna at 260-4882.

Sincerely,

Marcia Combes

Marcia Combes, Director
Alaska Operations Office

cc: Robin West, USFWS, KNWR, Soldotna
John Olson, NMFS, Anchorage
Suzanne Fisler, ADNR-KRC, Soldotna
Glenda Landua, ADFG-KRC, Anchorage
Daniel Bevington, KPB, Soldotna
John Mohorcich, KPB-KRC, Soldotna
Tim Rumfelt, ADEC, Anchorage
Jennifer Wing, ADGC, Anchorage
Don Martin, EPA, Seattle
Judith Lee, EPA Seattle
Phil North, EPA-KRC, Soldotna

2I Refer to comment responses 1A, 1G, 1F – EPA letter (12/05/01).

United States Department of the Interior

OFFICE OF THE SECRETARY
Office of Environmental Policy and Compliance
1689 C. Street, Room 119
Anchorage, Alaska 99501-5126

ER 01/893

November 27, 2001

Mr. Lawrence R. Wolfe
USDA - Rural Utilities Service
1400 Independence Ave. SW - Stop 1571
Washington, D.C. 20250-1571

Dear Mr. Wolfe:

3A The Department of the Interior has reviewed the September 2001, Draft Environmental Impact Statement for the Southern Intertie Project: Kenai Peninsula to Anchorage, Alaska. We have no comments to offer at this time.

Sincerely,

Pamela Bergmann

Pamela Bergmann
Regional Environmental Officer - Alaska

3A Comment noted.

Federal Aviation Administration

-----Original Message-----
From: Clarence Goward [mailto:Clarence.Goward@faa.gov]
Sent: Monday, December 10, 2001 9:29 AM
To: lwolfe@rus.usda.gov
Subject: FW: Southern Intertie DEIS

****
This E-Mail and or attachments have been scanned for
and found free of known viruses.
****

-----Original Message-----
From: Goward, Clarence
Sent: Monday, December 10, 2001 9:06 AM
To: 'Larry Wolf'
Subject: Southern Intertie DEIS

Larry,

I have reviewed the Draft EIS for the Southern Intertie Project. No formal changes to air traffic routes or procedures that would require additional environmental documentation are anticipated as a result of this project. We will further evaluated it for potential hazard to air navigation upon receipt of
the Notice of Proposed Construction or Alteration, FAA Form 7460-1, once an alternative is selected. Possible marking, lighting or other mitigation measures may be required.

Thanks for the opportunity to comment on this project.
CG II

4A See the General Response to Issue 3 in Chapter 1 (pg. 1-4) of the FEIS.

National Marine Fisheries Service
Western Alaska Field Office
222 West 7th Avenue, #43
Anchorage, Alaska 99513

Date: 12/11/01

Total Pages (including cover): 2

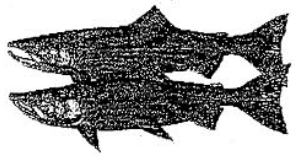
FAX

To: Larry Wolfe / Brian Anderson
From: Matt Eagleton
Phone:
Phone: (907) 271-5006
Fax:
Fax: (907) 271-3030
Subject: Southern Industries
cc:

Comments:

Larry @ (202) 720 0820

Brian (907) 786-3901



NMFS attended a pre project workshop and offered informal comments. Also, we have looked over the DEIS package. Our comments are summarized as follows:

5A Intertie Corridor
NMFS prefers the line(s) be located within the utility corridor A (that was established for utilities) along the eastern edge of Cook Inlet and cross at B, C, or D.

5B Anadromous Waters (Salmon)
Any corridor: any anadromous water (Chickaloon River or other stream) crossing should first be avoided or be drilled under the bed or suspended as not to influence the channel. Anadromous fish are commercial resources and are also important prey source for Beluga whales.

5C Cook Inlet Beluga Whales
We recommend timing and operations of inwater work or line laying follow:

- low tide window for construction activities on/near tidal flats.
- an observer will be posted aboard the ship during laying operations. The observer will keep lookout for beluga whales. Operations cease when beluga whales are sighted within 2,000 feet of the activity. Activities can resume when whales leave.

NMFS expects that beluga whales will migrate through the area fairly quick and will be moving on the head of the ebb tide and the tail of the flow tide.

This email faxed to: Larry Wolf, USDA, at (202) 720-5093; Brain Anderson, USFWS, (907) 786-3901.

5A Route preference is noted. Refer to responses to comment 1F – EPA letter (12/05/01).

5B Anadromous fish streams are protected under state law. Impacts will be avoided by spanning or drilling under the streams. See DEIS Section 3.5.5, Freshwater Environment, Environmental Consequences and Mitigation, Anadromous Fish (pg. 3-100). See also DEIS Table 3-2, Impacts and Mitigation Common to Most Alternative routes (pg. 3-15), and the Mitigation Plan, Volume II, FEIS, which includes specific locations of the anadromous streams crossed by the Project alternatives.

5C Impacts to beluga whales in context with transmission line alternatives are discussed on pgs. 3-115 through 3-117 of the DEIS. For an update on Beluga whales refer to Chapter 2, Section 2.2.5 (pgs. 2-17 to 2-18) of the FEIS.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
ANCHORAGE FIELD OFFICE
6881 Abbott Loop Road
Anchorage, Alaska 99507-2599

2801 (040) shh

December 13, 2001

Lawrence R. Wolfe
USDA - Rural Utilities Service
1400 Independence Ave. SW - Stop 1571
Washington, DC 20250-1751

Re: Southern Intertie Project

Dear Mr. Wolfe,

Thank you for the opportunity to comment on the DEIS for the Southern Intertie Project.

BLM administers scattered tracts of public land between Anchorage and terminus of the transmission line on the Kenai Peninsula.

6A Please beware that if the final alignment of the transmission line crosses lands administered by BLM, a right-of-way pursuant to sections 303 and 310 of the Federal Land Policy and Management Act (FLPMA) will be required. In the event a FLPMA right-of-way is required, NEPA documentation will have to meet BLM standards.

You may reach me at my letterhead address or at 907-267-1252 if you have any questions or concerns regarding possible BLM involvement in this project.

Sincerely,

Stuart Hirsh, CPL
Group Manager, Realty

6A No lands administered by the BLM would be crossed by either the Enstar or Tesoro alternatives.

United States Department of the Interior

FISH AND WILDLIFE SERVICE
Ecological Services Anchorage
605 West 4th Avenue, Room 62
Anchorage, Alaska 99501-2249

WAES

DEC -4 2001

Colonel Stephen T. Perrinot
District Engineer, Alaska District
U.S. Army Corps of Engineers
P.O. Box 898
Anchorage, Alaska 99501

Re: 2-991212
Turnagain Arm 45

Dear Colonel Perrinot:

We have reviewed this Public Notice concerning the application of the Intertie Participants Group (IPG) for authorization, under Section 404 of the Clean Water Act, to proceed with implementation of activities identified within the Draft Environmental Impact Statement (DEIS) for the Southern Intertie Project. We note "this Public Notice ***only*** describes the applicant's preferred alternative" (page 2, PN2-991212, emphasis added), referred to as "the Enstar Route." As described, this project proposes construction and placement of a 74-mile electrical transmission line stretching between Soldotna on the Kenai Peninsula, and the City of Anchorage.

The described Enstar Route crosses the Kenai National Wildlife Refuge, and the IPG has applied to the Service for a right-of-way permit to construct the proposed project across refuge lands. Evaluation of the application is governed by regulations at 43 CFR Part 36 implementing Title XI of the Alaska National Interest Lands Conservation Act (ANILCA), which prescribes a process for Federal authorization of transportation and utility systems across Conservation System Units. For this project, a memorandum of understanding (May 2000) was established among the Corps, Service, and Rural Utilities Service regarding agency cooperation toward compliance with the National Environmental Policy Act (NEPA) and ANILCA requirements. As a result, in addition to the Corps' evaluation of the applicant's proposal through the Section 404 process, three other Federal decision points are pending: NEPA through the EIS and its subsequent Record of Decision; the Refuge Compatibility Determination; and the Title XI right-of-way process.

7A Given that the Service has not concluded its evaluation of the applicant's proposal and alternatives to that proposal, it would not be appropriate for the Service to render a final recommendation to the Corps through our comments in response to the current Public Notice. We do recommend that the Corps reopen the public comment period following issuance of the ROD, allowing the Service and the public an additional opportunity to provide comments and recommendations.

7A Recommended activity is permitting-related and is not directly related to the NEPA process.

The following comments are submitted in accordance with provisions of the Fish and Wildlife Coordination Act (48 Stat. 401, as amended: 16 U.S.C. 661 et seq.) and constitute the report of the Department of the Interior. They are also intended for use in your determination of 404(b)(1) guidelines compliance (40 CFR 230) and in your public interest review (33 CFR 320.4) relating to protection of fish and wildlife resources.

Fish and Wildlife Resources and Project Impacts Identified in the DEIS

The DEIS identifies significant adverse impacts to fish and wildlife resources associated with the proposed Enstar Route through the Kenai NWR and its associated connecting routes into the Anchorage metropolitan area. These impacts are summarized briefly as follows: Potential increased human access along the Enstar Route would adversely affect brown bear, wolf, and lynx. The presence of the transmission line would preempt the ability of refuge managers to apply habitat management programs for moose and other species, such as prescribed burning. Seasonal migration between the Kenai Mountains and lowlands could be adversely affected for brown bear and other species. The Enstar Route crosses seven anadromous fish streams on the Kenai Peninsula, further affecting high quality brown bear habitat. Unacceptable impacts to wetlands
7B and the Anchorage Coastal Refuge would occur as the route emerges from Turnagain Arm and is routed into any one of several Anchorage based connection points. Additional possible impacts include an increase in pollution or eroding sedimentary runoff from the expansion of paved and unvegetated surfaces. Habitat loss will also result from brush removal along the path that will be maintained for safety purposes in both the Kenai and Anchorage areas. Shrub, forest, and riparian habitat of breeding songbirds may be lost to transmission line route clearing. Large spruce and cottonwood trees which serve as perch sites for bald eagles and smaller birds may be lost. Bald eagles, which are protected under the federal Eagle Protection Act (16 U.S.C. 668-668c), may nest in or near the proposed construction corridor. Bird strikes with the transmission lines and associated towers are a potential source of mortality. Finally, the Enstar Route submerges at Chickaloon Bay, a beluga whale concentration and suspected calving area.

Threatened and Endangered Species

Based on our records, we believe there are no federally listed or proposed species and/or proposed or designated critical habitat under the responsibility of the US Fish & Wildlife Service within the proposed project area. In view of this, we believe that the requirements of section 7 of the Endangered Species Act (Act) have been satisfied for these types of actions. However, obligations under section 7 of the Act must be reconsidered if: (1) new information reveals project impacts that may affect listed species or critical habitat in a manner not previously considered; (2) this action is subsequently modified in a manner which was not considered; or (3) new species are listed or critical habitat is determined that may be affected by the identified action.

Recommendations

We concur with the finding in the DEIS that the Tesoro Route (Routes A and C) is the environmentally preferred alternative.

7B Comment noted.

- Because the subject Public Notice does not request consideration or approval of alternatives other than the Enstar Route, we are not providing specific or detailed recommendations for those alternatives at this time. However, in keeping with the provisions of the Fish and Wildlife Coordination Act, we offer the following generic early suggestions for consideration should a new or revised Public Notice addressing other alternative routes be issued for this project:

7B

- Migratory birds utilize the coastal zone and areas of the Kenai Peninsula as a staging area and transit route to the Turnagain Arm en route to Prince William Sound and points south. Bird strikes into transmission towers and suspended power lines have become a serious source of mortality for many migratory bird species. Information describing high use routes along the Kenai coast and peninsula may be available and useful for developing mitigation measures for transmission line placement and limited burial of the lines to reduce the likelihood of such mortality. Staff from the Kenai NWR, the Anchorage Ecological Services office, and our Migratory Bird Management Office remain interested in working with the applicant and your staff to develop specific and detailed mitigation measures to protect migratory species across these regions.

7C

- Site specific mitigation should be devised to reduce the likelihood of disturbance or taking of bald eagle nests and disruption of swan breeding areas.

- Measures to reduce or eliminate impacts to subtidal and intertidal zones and the Anchorage Coastal Wildlife Refuge should be carefully considered. In this regard, we note that Route B and especially Route C across the Turnagain Arm, both with landfalls at Point Woronzof, pose relatively lower impacts to sensitive natural resources and wetlands within the Anchorage Bowl, than any other alternatives. The Service prefers ultimate selection of the proposed Tesoro Route Alternative "C" for the intertie crossing of Turnagain Arm and subsequent landing in Anchorage. Option "C" crosses Turnagain Arm directly from Pt. Possession to a landing at the Pt. Woronzof Substation. Option "C" adequately minimizes impacts to wetland and upland environments by: 1) routing the cable subsurface in its entirety, and avoiding land crossings across Fire Island (Option "B") and Kincaid Park (Option "D"), and 2) minimizing the length of the Tesoro Alternative to 61.3 miles versus 63.2 miles for Option "B" and 62.0 miles for Option "D". We believe that this alignment accommodates the project purpose while minimizing impacts to the natural environment and our trust resources.

7D

Conclusions:

Given that the Service, through the final EIS and ROD, Title XI right-of-way process and Refuge Compatibility Determination, will render a decision on the acceptability of the applicant's proposed route in the next several months, it would be premature to formalize a recommendation to the Corps on the acceptability of one specific alternative at this time. The following conclusions are preliminary, and could be modified by determinations made in the Service's processes cited above.

7C See FEIS Section 2.2.8 (pgs. 2-32 to 2-34) and Mitigation Plan in FEIS Volume 2.

7D RUS's preferred alternative is provided in FEIS Summary Section S.10 – Agency Preferences and Decisions to be Made (pg. S-26).

7E We believe the project as proposed will have significant adverse impacts on important fish, wildlife, and habitat resources, and we are advising you in accordance with the procedural requirements of the 1992 404(q) MOA, Part IV.3(a), that the proposed work may result in substantial and unacceptable impacts to aquatic resources of national importance. Moreover, we agree with the DEIS that the Tesoro Route (Routes A and C) is the environmentally preferred alternative for this project purpose.

7F At this time, three other federal decision points as referenced above are pending: NEPA through the EIS and its subsequent Record of Decision; the Refuge Compatibility Determination; and the Title XI right-of-way process. Therefore, we recommend that the Corps hold its permitting process in abeyance pending completion of these other decision points, as each will affect the chosen alternative, and hence, what action should be proposed in the Corps Public Notice. Public comments on the DEIS are due in December 2001. Those comments will be considered and incorporated as appropriate in the final EIS. We expect that the Compatibility Determination and Service right-of-way decision will be attached to the final EIS, which is scheduled to be published in June 2002. At that point, it would be reasonable for the Corps to provide an additional public comment period, preferably with a reissuance of the Public Notice if the applicant is willing to pursue authorization for another alternative route.

We are willing to meet with your agency and the applicant again to explore practicable alternatives where mitigation of fish, wildlife, and their habitat values can be achieved, and to achieve a schedule more in line with the ongoing NEPA process. If you intend not to accept this recommendation, please advise us before permit issuance in accordance with the Memorandum of Agreement of 1992 between our Departments.

If you have specific questions about our concerns or wish to discuss project modifications or permit conditions, please contact Mr. Dana J. Seagars, Wildlife Biologist, at 271-2781, or me at (907) 271-2787.

Sincerely,

Ann G. Rappoport
Field Supervisor

cc: NMFS, ADFG, EPA, Applicant

7E Comment noted.

7F A Draft Section 404(b)(1) Evaluation prepared by the USACE is included in Appendix B of the FEIS, which identifies the Tesoro Route alternative as the least damaging practicable alternative for aquatic resources.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 10
1200 Sixth Avenue
Seattle, WA 98101

DEC 19 2001

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REGULATORY BRANCH
Alaska District, Corps of Engineers

Reply To
Attn Of: ECO-083

Colonel Steven T. Perrenot
Alaska District Engineer
U.S. Army Corp of Engineers
P.O. Box 898
Anchorage, Alaska 99506-0898

Attn: Jack Hewitt

Re: Public Notice 2-991212, Turnagain Arm 45

Dear Colonel Perrenot:

7.1A This letter responds to your public notice received on October 18, 2001 of a proposal by the Intertie Participants Group of Anchorage, Alaska, to build an electrical transmission line from Soldotna to Anchorage through the Kenai National Wildlife Refuge. Based upon the likelihood that the project could have substantial and unacceptable impacts on aquatic resources of national importance (ARNI), and that there are alternatives that would have less adverse impact, we recommend that you deny the permit.

Pursuant to Part IV, Paragraph 3(b) of the August 11, 1992, Memorandum of Agreement (MOA) between our agencies, we hereby notify you that, in our opinion, the proposed project will have substantial and unacceptable impacts to an ARNI. Our December 3, 2001 letter included detailed, site-specific information supporting our position that the aquatic ecosystem on the Kenai National Wildlife Refuge constitutes an ARNI.

7.1B The Draft Environmental Impact Statement (DEIS) prepared by the applicant clearly outlines an alternative to the proposed powerline route (the Enstar Route). The DEIS describes the alternative (the Tesoro Route) as being practicable and environmentally less damaging. We also suggest that mitigation to offset the impacts associated with Tesoro Route is necessary. We are available for discussion about this with all interested parties.

7.1C As proposed, we believe that this project will result in an unacceptable loss of valuable aquatic resources. We therefore maintain our recommendation that you deny a permit. In accordance with the MOA, please notify me if you choose not to accept our recommendations.

7.1A Refer to comment response 1A – EPA letter (12/05/01).

7.1B Refer to comment responses 1F and 1G – EPA letter (12/05/01).

7.1C Comment noted.

We are willing to meet with your office, and/or the applicant and other resource agencies, to attempt to resolve these issues. Please feel free to call me, at (206) 553-0479 to discuss this matter, or have your staff contact Mr. Phillip North, at (907) 283-6608.

Sincerely,

L. John Iani
Regional Administrator

cc:
ADEC, Anchorage
ADFG, Anchorage
ADNR, Kenai River Center, Soldotna
ADGC, Anchorage
EPA, Wetlands Division, Washington, D.C.
FWS, Ecological Services, Anchorage
NMFS, Anchorage
Kenai Peninsula Borough, Soldotna